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TAGS: [PGOV](#) [PINR](#) [PHUM](#) [ASEC](#) [KDEM](#) [AM](#)
SUBJECT: VOTERS FOR SERZH SARGSIAN -- ARMENIA'S MOST
RECOGNIZABLE, LEAST KNOWN POLITICIAN

REF: 07 YEREVAN 1383

Classified By: CDA Joseph Pennington, reasons 1.4 B/D.

SUMMARY

11. (C) Although he is the front-runner in Armenia's February 19 presidential election, Prime Minister Serzh Sargsian nevertheless remains little known by the Armenian electorate.

While many despise him and accuse him of being sinfully corrupt, countless others respect him as an experienced military and political leader with real victories on and off the battlefield, and the best path to continued stability, security, and economic success. This love-hate relationship for Sargsian will play out in a hotly contested election where most economic and political elites will favor him, as will the army and security apparatuses, and the bulk of public servants' voters who are either truly loyal or coerced to vote for him. Most significantly, he will benefit from people's bitter memories of the "cold, dark" years that occurred during his main rival Levon Ter-Petrossian's administration, and the improved standard of living that most Armenians have seen under his political ally President Robert Kocharian's 10-year-rule. END SUMMARY.

12. (C) Reftel assessed the potential for former President Levon Ter-Petrossian's campaign for the presidency -- which remains broadly a valid assessment as events have unfolded. This cable seeks to illuminate more fully the advantages that incumbent Prime Minister Serzh Sargsian has brought to the race, and why many voters may well plump for him at the ballot box.

SO WHY VOTE FOR "SERZH"?

13. (C) Average Armenians who say they are voting for Sargsian usually enumerate the following reasons for supporting his candidacy: experience, a perceived role in improving their standard of living, strength as a national (and military) leader, and an ability to ensure continuity in Armenia's forward-leaning development. When it comes to experience, they cite his long career in government, his apparent aptitude as a manager of large organizations and bureaucracies, and his record of producing results (i.e. victory in Karabakh and his perceived role in Armenia's double-digit economic growth over the last decade). Many Sargsian supporters will tell you that when they look at the

opposition, they see perhaps only one rival who comes close to matching him in experience, that being LTP.

14. (C) Although Armenia's impressive record of double-digit economic growth over most of the last decade has not benefited everyone equally, many people -- and not only the economic elites who have profited the most -- see their economic prospects in today's Armenia in a more positive, or at least more hopeful, light than they did during LTP's reign. Sargsian is viewed as having had a hand in the material improvement of people's standard of living and representing continuity along that path. To be sure, rampant petty corruption and stifling red-tape gives even die-hard Serzh supporters heartburn, but with the indisputable growth in private property, private enterprise, jobs and incomes over the last decade, things have certainly come a long way.

15. (C) Sargsian's reputation as a strong leader is one of his most appealing virtues to would-be supporters. This image of strength, of being a "vozhd" (a Soviet-era Russian word for "chief" that connotes a fearsome leader with supreme abilities) should not be underestimated in post-Soviet societies such as Armenia's. Sargsian's proven track record as a wartime commander with field victories, as the powerful head of the secretive National Security Service and Ministry of Interior, as the Minister of Defense that kept Nagorno-Karabakh and Armenia safe and NK in Armenia's possession, and now as a man who has reputedly amassed a huge fortune by dint of his various offices -- all of these factors rightly or wrongly earn him respect from a population that has struggled throughout Armenia's transition to find its own footing in a new, uncertain post-Soviet world.

16. (C) Sargsian benefits from a widespread fear of a return

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to the very hard, very recent past. Many voters want stability, consistency, and a clear understanding of how they are to operate within their society. They want someone to protect them from danger and spare them future calamities. These are voters who have weathered the 1988 Spitak earthquake that claimed 25,000-50,000 lives; the 1991 collapse of the Soviet Union; three bloody years of war with Azerbaijan in Nagorno-Karabakh (1992-94), and the crippling energy shortages that imposed severe suffering on Armenians; a disputed 1996 presidential election; the tense ouster of LTP in 1998; the 1999 assassinations in parliament; a second disputed presidential election in 2003; ongoing closed borders and a simmering cease-fire; and a physical and psychological isolation that results from living in a hostile regional environment. For these people, stability and security -- even at the cost of Armenia's potential development that corruption holds back -- are the crucial conditions they want their leaders to provide. To them, there is nobody else in the current slate of presidential candidates who can reliably deliver these.

SUPPORTERS: ECONOMIC ELITES, CIVIL SERVANTS, SECURITY ORGS

17. (C) The constituency with the most to gain (or hold) from a Serzh victory are the country's main oligarchs and economic elites, and their extended network of families, friends, associates, and employees who work to guarantee their continued privileged status in society. Many of these people also hold political office, either directly or through close kin. These people have potentially the most to lose from a Serzh loss on election day, and they tend to be obsessed with their insider ties to the ruling regime. They view the regime's authority as paramount to the promotion of their own narrow interests. A Serzh victory gives them more time to consolidate, protect, and expand their accumulated wealth. Some of the top oligarchs may believe they can negotiate with LTP to preserve their privileged niche in the event of an opposition victory, whereas others may have more deep-seated

conflicts with the LTP circle.

18. (C) Many small/medium businessmen outside of the economic elites may also favor a Sargsian victory, not necessarily because they like him, but because they see him as best-placed to guarantee their continued business growth -- within the constraints of a sometimes arbitrary regulatory climate. They are the first to admit the maddening ways of doing business in Armenia, and are often frustrated by the extent of bribes and machinations they have to put up with, but at the end of the day they are making a successful go of business in the Kocharian-Sargsian era. Upsetting that applecart may bring uncertainty and risk to their small but hard-fought business gains.

19. (C) As head of government and chairman of the ruling party, Sargsian is supremely positioned to dole out benefits from the administrative resources at his disposal. This advantage is magnified by the double-hatting of his campaign manager, Hovik Abrahamian, as the minister responsible for overseeing regional and local government institutions, and thus the entire public sector workforce outside the capital. Thousands of public servants throughout the government, and by extension members of their families, genuinely see Sargsian as the guarantor of their continued employment, promotions, paychecks, and future pensions. The Sargsian government's recent decision to ramp up public sector pay and pensions may have bought a large dollop of goodwill from these households. A lot of civil servants have seen their quality of life improve during the Kocharian-Sargsian era, and this feeling is not restricted to the higher echelons of ministries. All of this doesn't mean Sargsian will win the whole public sector vote (there are just over 200,000 public sector workers), but he may well capture a good chunk of it.

110. (C) Armenia's security apparatus -- the NSS, the police, and the army -- are key sources of support, and may be called upon both for votes and to preserve stability in any post-election fracas. Armenia's 60,000-strong army may be fertile ground for Sargsian votes, especially among Army careerists, many of whom have long-standing professional and personal relationships with their former minister, under whose leadership the army prospered. Sargsian is also helped by the fact that his close friend, wartime partner, and successor as Armenia's present Defense Minister, Mikhail

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Harutyunyan, has publicly expressed his confidence that his servicemen will be "good soldiers" during the vote, and give their support to the most effective military leader among the candidates.

111. (C) Rural Armenia is on the whole a conservative electorate, wary of drastic changes. These are the people who have absorbed most of the toll of post-independence shocks, and who tend to be risk-adverse. UN personnel have told us a common rural voter refrain that they heard before the May 2007 parliamentary elections was that while Serzh may be corrupt, his era of government service coincided with an improvement in their material standard of living (rise in salaries, pensions, jobs).

HOW A FRACTIONAL POLITICAL LANDSCAPE HELPS SERZH

112. (C) Armenia's divisive political landscape -- riven by old grudges, outsized egos, and bitter rivalries among many opposition leaders -- divides Armenian voters, who have become increasingly embittered and cynical over the years about their prospective leaders. Talking to ten different people in the street generates two pro-Serzh votes for president, two different opposition names for president; several "I won't vote for any of these crooks"; and several "I'm torn whom to vote for" replies. The political opposition's long-standing inability to unite -- and

perennial tendency to put their petty quarrels and personal piques above Armenia's national interests -- has left many Armenians convinced that the opposition political class has become a self-indulgent irrelevancy, unwilling or incapable of addressing real problems.

ACHILLES HEELS: CORRUPTION, KARABAKH TIES, RISING PRICES

¶13. (C) Electoral vulnerabilities for Sargsian include his alleged corruption, his reputed favoring of Karabakh cronies, and just recently, the recent rise in consumer prices for basic foodstuffs that have hit Armenians' wallets. Corruption is his highest negative, and its widespread, increased prevalence during the last ten years has alienated many voters. His presidential opponents have made this their key campaign theme, and are increasing their shrill attacks on this subject each day. Sargsian says he will address corruption as president, but most Armenians don't believe him.

¶14. (C) Born in the ethnic Armenian enclave of Nagorno-Karabakh (or possibly just inside Armenia proper; sources differ), and having spent much of his early life and career there, Sargsian is still viewed as an outsider by many in Armenia's political class, an important perception particularly in Yerevan's highly insular, clannish political culture. Along the way, Sargsian has reputedly placed in high government posts in Armenia colleagues and friends from Karabakh, sparking charges of cronyism in the process. The opposition has increased its attacks on this subject, publicly challenging where Sargsian's true loyalties lie -- to his Karabakh clan or Armenians from Armenia proper.

¶15. (C) One part of the population vehemently opposed to Sargsian is the "intelligentsia." This fabled but slowly dying Soviet-era class of citizens, whose pedigree of education and professional accomplishments entitled them to unique cradle-to-grave benefits and perquisites, saw their world washed away practically overnight by Armenia's 1991 independence. For these people, some of whom will never be able to adjust to Armenia's new realities, every current leader has to be a crook for having expropriated their golden past. They scoff at a village bumpkin "Karabakhtsi" like Sargsian ruling their country, and honor ex-president Levon Ter-Petrossian's scholarly credentials, as a Doctor of Oriental Studies and philology. Like Kocharian before him, Sargsian is only just now learning the art of effective public speaking; his earlier attempts never failed to remind haughty Yerevantsi of Sargsian's provincial background and inferior education. There is a sizable cohort of Yerevantsi who were well-educated and enjoyed middle class status in Soviet times, but who in the post-independence era have slipped down the rungs into working class/laboring jobs to survive. Many such people resent their lot in the current system, and cling to the value of their educational

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attainments as a pillar of self-worth. Contempt for Kocharian, Sargsian, and their many under-educated cronies flaunting conspicuous wealth, is an exercise in self-justification for many such voters.

¶16. (C) A more mundane, but equally important area where Sargsian could lose voters to either opponents or voter no-shows is the increasing rise in foodstuff prices. With the Armenian Dram's run-away appreciation against the dollar in the last quarter of 2007, Armenians who rely on remittances from abroad saw their purchasing power steadily decrease, while foodstuff prices continued to rise. Many voters are frustrated by the situation, and blame it on the authorities who they think can control prices but are intentionally not doing so. According to the conspiracy version on the street, the authorities are allowing allied oligarchs who control the import of foodstuffs to jack up the prices and deposit some of the spread into Sargsian's

campaign coffers.

COMMENT

¶17. (C) Serzh Sargsian's true level of popular support remains tricky to assess, but almost surely includes large swathes of the many who give little day-to-day thought to politics. For this silent perhaps-majority, the devil they know (Sargsian) has delivered steady if unspectacular gains to the average Armenian's standard of living, has successfully defended Armenia's national security, and represents a bulwark against potentially nerve-wracking changes to the status quo. These same voters were shell-shocked by serial hardships during the tenure of the other devil they know, Levon Ter-Petrossian, while other opposition rivals seem non-serious, if their existence even registers on voters' radar. (Even at this late date we have encountered voters surprised to learn there are more than two candidates in the race). In a land well-schooled -- from pre-Soviet, through Soviet, and into post-independence times -- in living under the governance of unloved rulers, the current lot is no worse than most have been, and better than many. What more could a simple voter ask?

PENNINGTON